

GENERAL GUIDELINES for 15% Community Fund Realignment for SFY07 per S.L. 2006-142, House Bill 2077, Section 6 (a) and (b)	
Baseline for measuring the 15% transfer	<p>Baseline will be a combination of (a) amounts in the “final” allocation letter for SFY 07, plus (b) subsequent allocation increases during SFY 07. The baseline will NOT change based on decreases in allocations from the Division during the year.</p> <p>Cross Area Service Program funds and Mental Health Trust Funds will be excluded from an LME’s baseline computation since these funds cannot be moved under the 15% transfer provision (see related information below).</p> <p>Baseline includes State and Federal continuation and expansion funds.</p> <p>ALL TRANSFERS WILL BE ON A ONE-TIME BASIS FOR SFY07 ONLY.</p>
Frequency and deadline for transfer request	<p>Frequency: An LME may request transfers under this provision throughout the year, however, to minimize administrative tasks, LMEs are encouraged to limit transfer requests to no more frequently than monthly.</p> <p>Deadline: The last date to request a transfer of funds under this provision is May 1, 2007. This deadline is to ensure sufficient processing time within IPRS for payments at year-end.</p>
Funds which <u>cannot</u> be transferred under the 15% provision	<ol style="list-style-type: none"> Cross Area Service Programs (CASP): CASP funds are excluded since these resources are for programs which serve more than one LME. Mental Health Trust Fund (MHTF): MHTF funds are excluded since they are one-time allocations for purposes set forth in the MHTF Plan. Transfer of funds can not cross FRCs, e.g. transferring of FRC 00 to FRC 5U, etc.
“Publicly document” in terms of service needs having been addressed	<ol style="list-style-type: none"> Approval by the Area Board for the transfer based on information provided to the Area Board by the area/county program at a public Board meeting. Approval by the Area Board shall be specifically documented in the minutes of the Board meeting. If the Board does not approve the transfer, it shall not be submitted to the Division for consideration. Presentation of the transfer request to the local CFAC to allow the CFAC to adopt a position on the requested transfer. Action by the local CFAC shall be properly documented in the minutes of the local CFAC to indicate their concurrence with the transfer, disagreement with the

	<p>transfer, or no position taken by the CFAC on the transfer. Local CFAC concurrence with the transfer is not a condition of submitting the transfer request to the Division, however, the local CFAC must indicate their position related to the transfer and sign the form.</p> <p>c. Completion and submission of the signed Certification Form, a copy of which is included in this transmittal.</p>
Applicable federal requirements which must be met	Refer to Federal Funding Grid included with this transmittal.
Verification of compliance prior to any transfer	<p>To ensure the proper documentation of compliance with (a) Federal requirements, (b) the Division's responsibility to review public documentation, and (c) that the requested transfer is within the 15% allowable range, verification from the Division shall occur prior to the proposed transfer actually taking place. The Division shall, within 10 working days after receipt of a properly completed transfer package from the LME, confirm in writing to the LME the results of its review. If the review finds that all requirements have been met for the transfer, the LME will be notified of the approval. In addition to LME approval notification, the Division will also notify the Fiscal Research Division via a copy of the Transfer Request Form and signed Certification Form. If the review indicates the transfer is not in compliance with requirements, the Division shall provide a description of the specific non-compliant area(s) of the request to the LME.</p>
Impact of increase/decrease to an age or disability	<p>The 15% transfer limitation could reduce an age or disability by 15% while, at the same time, increasing another age or disability by more than 15%. For example, ADD and ASA could be reduced by 15% each and AMH increased by more than 15%. The 15% limitation applies only to reductions for an age or disability, not to the amount of increase in an age or disability.</p>
Material which shall be submitted to the Division as part of the transfer request and submission instructions	<ol style="list-style-type: none"> 1. Completed Transfer Request Form, a copy of which is included in this transmittal. 2. Certification Form signed by the LME Director, Area Board Chair and local CFAC Chair. 3. The transfer request package shall be submitted to: Wanda Mitchell DMHDDSAS Budget & Finance Team 3013 Mail Service Center Raleigh, NC 27699-3013
<p>NOTE: OTHER TRANSFERS NOT SUBJECT TO THE 15% TRANSFER OF FUNDS SHALL CONTINUE TO BE HANDLED AS NORMAL VIA LME REQUESTS TO DIVISION.</p>	